

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 3031-02
Bill No.: Perfected SCS for SB 837
Subject: Taxation and Revenue; Licenses - Professional
Type: Original
Date: March 2, 2004

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on General Revenue Fund	\$0	\$0	\$0

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.
This fiscal note contains 4 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2005	FY 2006	FY 2007
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

In response to a similar proposal, **Department of Economic Development, Professional Registration** officials assumed this proposal would not fiscally impact their agency.

Officials from the **Department of Revenue (DOR)** assume current language requires DOR to provide a taxpayer applying for a professional license and the agency charged with issuing the license notification of any outstanding tax delinquencies. This legislation requires DOR to provide the licensee written notification that the delinquency has been remedied within ten business days.

For purposes of this fiscal note, DOR assumes "remedied or made arrangements to remedy" is when the director determines the delinquency has been satisfied. In other words, DOR will have ten days to notify the taxpayer after the payment or information has been received and processed by DOR. Currently, DOR already has this notification in process and therefore, there will be no impact to DOR.

The legislation also states that DOR is to send notification within 10 days of the notification to the governmental entity issuing the professional license. Currently, DOR does not notify the governmental entity issuing the professional license that a taxpayer has become compliant and assumes this legislation does not require DOR to begin issuing notification to those agencies. If

ASSUMPTION (continued)

DOR is incorrect in the assumption, DOR will need 1,384 hours of programming modifications, at a cost of \$46,170.

<u>FISCAL IMPACT - State Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT - Local Government</u>	FY 2005 (10 Mo.)	FY 2006	FY 2007
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

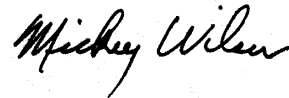
This proposal requires that when a professional licensee of this state has been found to be delinquent on his or her taxes and then remedies such delinquency or makes arrangements to remedy such delinquency, the director of revenue shall, within ten business days, provide written notification as to such remedy to the governmental entity issuing the professional license.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

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SOURCES OF INFORMATION

Department of Revenue
Department of Economic Development
Professional Registration

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA
Director
March 2, 2004